

EXHIBIT 2

**THE COMPANIES LAW ARTICLES OF ASSOCIATION
OF THE WEIZMANN INSTITUTE OF SCIENCE***

INTERPRETATION

1. In the interpretation of these Articles, except when excluded by the context:-
 - (a) the expression "the Association" means the above named Company.
 - (b) the expression "the Ordinance" means the Companies Ordinance 1983.
 - (c) the expression "the Law" means the Companies Law 1999 and any statutory modification thereof for the time being in force, including those sections of the Ordinance which have not been annulled by the provisions of the Companies Law, and any statutory modification of them. Any reference to a section of the Companies Law or to the above mentioned sections of the Ordinance, includes any statutory modification thereof for the time being in force.
 - (d) the expression "the Board of Governors" means the members assembled at general meetings of the Association.
 - (e) the expression "Executive Council" means the Executive Council for the time being of the Association under these presents.
 - (f) the expression "Chair" or "Deputy Chair" or "Deputy Chairs" means Chair or Deputy Chair or Deputy Chairs of the Board of Governors.
 - (g) the expression "Governor" means a Governor of any one of the categories mentioned in Article 3 below.
 - (h) the expression "election" or "elected" shall include "re-election" or "re-elected".
 - (i) the expression "in writing" or "written" shall include instruments transmitted via cable, telegraph, facsimile, e-mail or other similar forms of electronic communication that are capable of producing a readable copy of the transmitted message.
 - (j) the expression "Officer" shall mean the President of the Association, any Deputy Presidents of the Association, any Vice Presidents of the Association, a member of the Executive Council, a member of the Executive Committee, a member of any of the Standing Committees, the President of the Feinberg Graduate School, the Chair of the Scientific Council and the Chair of the Council of Professors, and any other office holder at the Association which the Executive Council may from time to time determine.

Words importing the singular number shall include the plural number and vice versa, and words importing the masculine gender shall include the feminine.

* As amended at the November 16, 2004 Board of Governors Special Meeting.

GOVERNORS

2. The members of the Association shall be called Governors. For the purpose of registration, the number of Governors of the Association shall not exceed two hundred.
3. (a) There shall be the following classes of Governors, namely:
 - I. Ex-Officio Governors consisting of the President of the Association, the Deputy President, or in his absence a Vice President named by the President, the President of the Feinberg Graduate School, the Chair of the Scientific Council and the Chair of the Council of Professors.
 - II. Elected Governors: Elected in accordance with the provisions of these Articles.
- (b) All Elected Governors shall hold office for a term of no more than five years and shall be eligible for re-election at the end of such term.
4. Every Individual Governor shall immediately before or after his election agree to be a Governor of the Association and to be bound by the regulations thereof.
5. The right of an Individual Governor as such shall be personal and shall not be transferable and shall, subject to the provisions of Article 6 hereof, in the case of Elected Governors continue until retirement in accordance with Article 3(b), and in the case of Ex Officio Governors, for as long as they hold the office entitling them to be Ex Officio Governors.
6. The office of an individual Governor shall become vacant in any one of the following events:
 - (a) If he shall send a letter of resignation to the Chair;
 - (b) If he shall die;
 - (c) If he shall become mentally incapacitated;
 - (d) If he shall be convicted of an offense involving moral turpitude;
 - (e) If he shall be found guilty of disloyalty to the Association by the Board of Governors by a vote of 75% of the Governors present and voting at such meeting.
7. Any vacancy among the Individual Governors caused as aforesaid, may be filled:
 - (a) By the Board of Governors at the first or subsequent meeting of the Board of Governors held after the occurrence of the vacancy; and
 - (b) Between meetings of the Board of Governors - when it is necessary in the opinion of the members of the Executive Committee or Executive Council - by the aforesaid Committee or Council and upon the approval of the Nominating Committee.

Such appointment shall be valid until the first meeting of the Board of Governors following the appointment.
8. An Individual Governor who has resigned his Governorship or has otherwise ceased to be a Governor shall be eligible for re-election.
9. Every Governor shall be held to have agreed to be bound by the Articles of Association from time to time in force and shall be bound to further to the best of his ability the interests of the Association.

GENERAL MEETINGS

10. A general meeting of Governors shall be held in Israel once in every calendar year at such time and place as may be determined by the Executive Council or by the Chair, provided that every general meeting be held not more than fifteen months after the holding of the last preceding meeting.

The above mentioned general meetings shall be called Annual General Meetings; all other general meetings shall be called Special Meetings.

11. (a) The Executive Council or the Chair may, whenever it or he think fit, call a Special Meeting of Governors. A Special Meeting shall also be convened on the requisition of Governors representing not less than 10 (ten) percent of the total voting rights of all the Governors having at the date of the requisition the right to vote at general meetings. The requisition shall state the object of the meeting and shall be signed by the requisitionists and deposited at the registered office of the Association. Forthwith upon the receipt of the requisition, the Chair of the Executive Council shall duly convene a Special Meeting of the Association. If a meeting as aforesaid is not called within 21 days from the date of the deposit of the requisition, the requisitionists or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three months from the said date.

(b) The Vice Presidents (if any), Deputy Presidents (if any) and the Deans shall be invited to attend at meetings of the Board of Governors, except in closed sessions declared by the Chair as such, and they shall have the right of voice but shall not have voting rights thereat.

NOTICE OF MEETINGS

12. 15 days notice at least (exclusive in every case of the day on which notice is served or deemed to be served and of the day of the meeting) specifying the place, the day and the hour of the meeting, and in the case of special business the general nature of such business, shall be given in manner hereinafter mentioned to such Governors as are under the provisions of these Articles entitled to receive notices from the Association. Provided that the accidental omission to give such notice to or the non-receipt of such notice by any such Governor shall not invalidate any resolution passed or proceeding held at any such meeting. With the consent of all the Governors entitled to attend and vote, a meeting may be convened upon a shorter notice and in such manner as such members may approve.

FUNCTIONS OF GENERAL MEETINGS OF GOVERNORS AND PROCEEDINGS THEREAT

13. (a) The Board of Governors shall control the business of the Association and without derogating from the generality of the foregoing shall:

- (1) determine the policies of the Association.
- (2) review the activities of the Association and the various officers and committees thereof.
- (3) approve the budgets of the Association on the recommendation of the Executive Council.

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- (4) review the approved financial statements of the Association and the events and/or changes which occurred and had an influence on the financial statements, according to the report submitted by the Executive Council.
 - (5) attend to legal requirements, including amendment of Memorandum and Articles of Association of the Association.
 - (6) elect new Governors.
 - (7) elect the President, the Chair, the Deputy Chair or Deputy Chairs of the Board of Governors, the Chair and the Vice Chair of the Executive Council, the Executive Committee of the Council, the Audit Committee, the Honours Committee, the Co-Chairs of the Scientific and Academic Advisory Committee, the Vice-Chair of the Nominating Committee and the Chair of the Appointments and Promotions Committee.
 - (8) elect a Chancellor of the Association should the Board of Governors consider that it is desirable to do so and determine the functions and duties of the Chancellor so elected.
 - (9) elect members of the Executive Council, the Executive Committee of the Council, the Appointments and Promotions Committee, the Audit Committee, the Nominating Committee, the Honours Committee, and the Scientific and Academic Advisory Committee.
 - (10) Whether or not these Articles prescribe:
 - (a) A maximum number of members for any of the organs or committees of the Association,
 - (b) The number of elected and/or ex-officio members thereof,
 - (c) A maximum period for any term of office,
 - (d) A maximum number of consecutive terms during which any person may hold or be re-elected for any office.
- By Resolution:
- Determine from time to time any such maximum number of members, number of elected and/or ex-officio members, maximum period for any term of office and number of consecutive terms as aforesaid;
- Increase or reduce any such number of members, number of elected and/or ex-officio members, or increase or decrease any period for any term of office and any number of consecutive terms as aforesaid.
- (11) appoint auditors and fix their remuneration.
 - (12) appoint persons who have ceased to be Governors as Governors Emeriti on recommendation of the Nominating Committee, in recognition of especially meritorious service to the Institute, with the right to receive notices of and attend meetings of the Board of Governors, but not to vote thereat, together with such other rights (if any) as shall be conferred by the Board of Governors from time to time on Governors Emeriti.
 - (13) appoint ad hoc committees.
 - (14) attend to any other business within the authority of the Board of Governors according to the Law.

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(b) In elections of Governors pursuant to sub-Article 13(a)(6) held after the annual general meeting of 1983, the sole eligible candidates shall be those appearing on a slate of nominees proposed for such elections by the Nominating Committee and those nominated during the meeting at which such election is held by at least five members of the Board of Governors or nominated prior to such meeting by five members of the Board of Governors by notice in writing to the Chair of the Board of Governors; and in elections of members of any other organ or committee of the Association or of officers of the Association, pursuant to sub-Article 13(a)(7) or 13(a)(9) held after the annual general meeting of 1983, the sole eligible candidates shall be those appearing on a slate of nominees proposed for such election by the Nominating Committee and those nominated during the meeting at which such election is held by at least five members of the Board of Governors or nominated prior to such meeting by five members of the Board of Governors by notice in writing to the Chair of the Board of Governors. Provisions in any of the other Articles of these Articles specifying that a person shall be eligible for re-election shall not derogate from the provisions of this sub-Article 13(b).

14. No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. For all purposes the quorum shall be 15 (fifteen) Governors.

15. The Chair shall preside at all meetings of the Board of Governors and in his absence a Deputy Chair or the Senior Deputy Chair by length of service in the event of more than one Deputy Chair being present. If none of the above shall be present within fifteen minutes of the time appointed for the holding of the meeting, the Governors present shall appoint one of their members to take the Chair at that meeting.

16. The Chair of a general meeting may with the consent of the meeting adjourn a meeting from time to time and from place to place as the meeting shall determine. Whenever a meeting is adjourned for more than seven days, notice of the adjourned meeting shall be given in the same manner as of the original meeting but so that it shall not be necessary to give more than seven days' notice of an adjourned meeting. Save as aforesaid the Governors shall not be entitled to any notice of an adjournment or of the business to be transacted at an adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.

17. If within half-an-hour from the time appointed for the holding of a general meeting a quorum is not present, the meeting if convened on such requisition as aforesaid shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place or to such other day and time and place as the Chair shall appoint, and the Governors then present in person or by proxy shall constitute a quorum.

18. At all general meetings a resolution put to the vote of the meeting shall be decided on a show of hands, unless before or upon the declaration of the result of the show of hands a poll be demanded by the Chair or by any Governor present and entitled to vote, and unless a poll be so demanded a declaration by the Chair of the meeting that a resolution has on a show of hands been carried or has been carried by a particular majority or lost shall be conclusive and an entry to that effect in the Minute Book of the Association shall be conclusive evidence thereof without proof of the number, proportion or validity of the votes recorded in favour of or against such resolution.

19. If a poll be demanded in manner aforesaid, it shall be taken at such time and place and in such manner as the Chair of the Meeting shall direct, and the result of the Poll shall be deemed to be a resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn.
20. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.
21. In the case of an equality of votes either on a show of hands or on a poll, the Chair of the meeting shall be entitled to a second or casting vote.
22. The proceedings at any meeting shall not be invalidated by reason of any informality or irregularity in the convening thereof or otherwise or any want of qualification in any of the persons present or voting thereat.

VOTES OF GOVERNORS

23. Votes of individual Governors may be given either personally or by proxy. Only a Governor may act as proxy.
24. The instrument appointing a proxy shall be in writing signed or sent by the appointer or his authorized attorney.
25. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death of the principle or revocation of the proxy, provided that no written intimation of the death or revocation shall have been received at the registered office of the Association before the time fixed for holding the meeting.

THE EXECUTIVE COUNCIL

26. Between meetings of the Board of Governors, the Association and the properties and affairs thereof shall be under the control and management of the Executive Council which will have all responsibilities and functions as specified in the Law. Where the Board of Governors and the Executive Council have concurrent authority pursuant to these Articles, the Executive Council shall not exercise such authority in a manner inconsistent with any resolution of the Board of Governors and the Board of Governors shall be entitled to review any resolution of the Executive Council and confirm, overrule or vary it.
27. Without derogating from the generality of the foregoing the functions of the Executive Council shall include:
- (a) determining the Budget of the Association based upon the recommendations of the Executive Committee for submission to the Board of Governors for final approval.
 - (b) approving the financial statements of the Association and submitting to the Board of Governors a report about the financial statements and about the Association's affairs and its business results.
 - (c) maintaining close liaison with supporting bodies and receiving periodic reports of their activities and finances.

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- (d) controlling the financial operations of the Association and generally to advise the Association on matters relating to financial affairs and the investment of funds of the Association.
- (e) reviewing the activities of the Association and of the various officers and committees thereof, and receiving and reviewing periodic reports from the President and the officials in charge of finance and others, as it may deem fit and of the various committees.
- (f) appointing standing and ad hoc committees consisting of members of the Executive Council, the Board of Governors and others, as it deems fit.
- (g) to review the activities of the Appointments and Promotions Committee.
- (h) dealing with and determining all other matters affecting the operations of the Association.

28. In addition to all powers hereby expressly conferred upon it, and without detracting from the generality of its powers under the last preceding or any other article, the Executive Council shall have the following powers, namely:

- (a) to approve the budget of the Association for periods in respect of which the Board of Governors shall not have approved a budget, and to authorize supplementary budgets and to amend budgets in between meetings of the Board of Governors. Such approved budgets, supplemental budgets and amendments shall be reported to the Board of Governors at its next ensuing meeting.
- (b) to expend the funds of the Association in such manner as they shall consider most beneficial for the purposes of the Association, and to invest in the name of the Association or in the name of trustees such part thereof as it may deem fit, and to direct the sale or transfer of any investments and to expend the proceeds of any such sale or transfer for the purposes of the Association.
- (c) to acquire in the name of the Association or in the names of the trustees, build upon, pull down, rebuild, add to, alter, repair, improve, sell or dispose of or otherwise deal with any land, buildings or premises for the use of the Association.
- (d) to enter into contracts on behalf of the Association.
- (e) to borrow money and to grant or direct to be granted for securing the same, mortgages or charges upon the property of the Association; subject always to the provisions of Article 36 hereof, and within the limits of borrowing as approved by the Board of Governors from time to time.
- (f) to delegate all or any of their powers to any committee or officer of the Association as far as such delegation is not prohibited by the provisions of the Law.
- (g) to make and from time to time to revise or alter regulations as to the management of the Association and the affairs thereof.
- (h) to prescribe the duties, rights and privileges of any officers or persons in the service of the Association, or connected with the activities of the Association.
- (i) to make and from time to time to repeal or alter regulations as to conduct of business by the Executive Council or any Committee thereof or as to any of the matters or things within the powers or under the control of the Executive Council.

(j) to appoint or engage for such period and upon such terms as to remuneration, functions, powers and under such designations of office as it may think fit, a Deputy President, one or more Vice-Presidents, a Secretary and such other officers or employees of the Association as the Executive Council may from time to time consider necessary or expedient. Unless otherwise directed by the Executive Council, the Deputy President, the Vice-Presidents and such other officers or employees of the Association, shall have such powers and duties as will be delegated to them from time to time by the President. Unless otherwise resolved by the Executive Council, the Secretary of the Association shall serve as Secretary of the Board of Governors and the Executive Council, and shall perform such other duties as shall be assigned to him by the President.

(k) to appoint trustees of any fund or property of the Association which may be necessary or expedient to vest in trustees and to prescribe the powers and duties of such trustees and the terms and conditions upon which such fund or property are held in trust.

(l) generally to do all things necessary or expedient for the due conduct of the affairs of the Association not herein otherwise provided for.

29. The Executive Council shall consist of members elected from among the Governors and ex-officio members. The total number of elected members of the Executive Council shall be no more than 65 (sixty-five).

The ex-officio members of the Executive Council shall be the Chair of the Board of Governors, the President, the Chancellor (if such post is filled), the Deputy Chairs of the Board of Governors, the Deputy President, or in his absence a Vice President named by the President, the Chair of the Scientific Council, the Chair of the Council of Professors of the Institute, and the President of the Feinberg Graduate School.

The Vice-Presidents (if any) and the Deans shall be invited to attend the meetings of the Executive Council with the right of voice but no voting rights thereat. Other persons may attend the meetings of the Executive Council by invitation of the Chair of the Executive Council.

30. (a) All members of the Executive Council shall hold office for a term of no more than three years and shall be eligible for re-election at the end of such term.

(b) Any vacancy in the Executive Council which may occur between Annual General Meetings may be filled by the Chair of the Board of Governors, to serve until the next Annual General Meeting of the Board of Governors.

31. The Board of Governors may from time to time determine the number of elected and/or ex-officio Executive Council members, and alter the proportion of elected members of the Executive Council retiring every year.

32. The office of a member of the Executive Council shall be vacated:-

(a) if he ceases to be a Governor.

(b) if he is removed from office by resolution of the Board of Governors.

(c) if by notice in writing to the Association he resigns his office.

(d) in the case of an ex-officio member if he shall vacate the office by virtue of which he is an ex-officio member of the Executive Council.

(e) by provisions of any applicable law, in particular the provisions of articles 225-234, inclusive, of the Law.

33. The presence of not less than 12 (twelve) members of the Executive Council of whom at least one-half shall be elected members of the Executive Council, shall be required to constitute a quorum.

34. Unless otherwise determined by the Board of Governors the Executive Council shall meet at least twice in each calendar year. The dates and locations of such meetings shall be determined in consultation with the Chair, who upon the request of 2 members of the Executive Council shall, at any time summon a meeting of the Executive Council by notice served on the several members thereof.

35. The Vice-Chair of the Executive Council shall be elected by the members of the Board of Governors from amongst the members of the Executive Council. The Vice-Chair of the Executive Council shall hold office for a term of not more than three years and shall be eligible for re-election, provided that he may not serve for more than nine consecutive years. The functions of the Vice-Chair of the Executive Council shall be determined from time to time by the Executive Council.

36. Subject to the provisions of the Law, the Executive Council may from time to time and to such extent as it may think fit delegate all or any of its powers, authorities and discretions to committees consisting of such person or persons (whether member or members of the Executive Council or Board of Governors or not) as the Executive Council shall think fit and any committee so formed shall in the execution of the powers so delegated conform to any regulations imposed on it by the Executive Council. The meetings and proceedings of any such committee shall be governed by the provisions of these presents for regulating the meetings and proceedings of the Executive Council so far as applicable and so far as the same shall not be superseded by any regulations made by the Executive Council as aforesaid. Provided always that no such committee shall, unless expressly authorized to do so, be entitled to sell, pledge, mortgage or dispose of any of the assets of the Association otherwise than in the ordinary course of business, without first obtaining the express authority to that effect from the Executive Council.

37. (a) At all Executive Council meetings a resolution put to the vote of the meeting shall be decided on a show of hands, unless before or upon the declaration of the result of the show of hands a poll be demanded by the Chair or by any member of the Executive Council present and entitled to vote, and unless a poll be so demanded a declaration by the Chair of the meeting that a resolution has on a show of hands been carried or has been carried by a particular majority or lost shall be conclusive and an entry to that effect in the Minute Book of the Association shall be conclusive evidence thereof without proof of the number, proportion or validity of the votes recorded in favour of or against such resolution.

(b) If a poll be demanded in manner aforesaid, it shall be taken at such time and place and in such manner as the Chair of the meeting shall direct, and the result of the poll shall be deemed to be a resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn.

(c) The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

(d) In the case of an equality of votes either on a show of hands or on a poll, the Chair of the meeting shall be entitled to a second or casting vote.

- (e) The proceedings at any meeting shall not be invalidated by reason of any informality or irregularity in the convening thereof or otherwise or any want of qualification in any of the persons present or voting thereat.
- (f) Votes of individual members of the Executive Council may be given either personally or by proxy. Only a member of the Executive Council may act as proxy.
- (g) The instrument appointing a proxy shall be in writing signed or sent by the appointer or his authorized attorney.
- (h) A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death of the principle or revocation of the proxy, provided that no written intimation of the death or revocation shall have been received at the registered office of the Association before the time fixed for holding the meeting.
- (i) The forgoing provisions shall mutatis mutandis apply to the proceedings of the Executive Committee of the Council, the Appointments and Promotions Committee and any Standing Committees of the Association.

38. (a) All acts bona fide done by any meeting of the Executive Council or any committee thereof or by any member of the Executive Council or any committee thereof shall, notwithstanding it be afterwards discovered that there was some defect in the appointment of any such member as aforesaid or that he was disqualified, be as valid as if every such person had been duly appointed and was qualified to be a member of the Executive Council or of any committee.
- (b) The Executive Council shall cause proper minutes to be made of all appointments of officers made by the Executive Council and of all proceedings of all meetings of the Association and of the Executive Council and of committees thereof and all business transacted at such meetings, and any such minutes of any meetings, if purporting to be signed by the Chair of such meeting or by the Chair of the next succeeding meeting, shall be sufficient evidence without any further proof of the facts therein stated.
- (c) A resolution in writing signed or approved by all members of the Executive Council or the Executive Committee of the Council shall be as valid and effectual as if it had been passed at a meeting of the Executive Council or the Executive Committee of the Council duly convened and held and when signed may consist of several documents each signed by one or more of the persons aforesaid.

EXECUTIVE COMMITTEE OF THE COUNCIL

39. (a) There shall be elected by the Board of Governors from amongst the members of the Executive Council a Committee to be known as the Executive Committee of the Council. Subject to the provisions of the Law, between meetings of the Executive Council, the Association and the properties and affairs thereof shall be under the control and management of the Executive Committee of the Council, which shall have the same powers, authorities and discretions as the Executive Council, provided that the Executive Committee of the Council shall have no authority to do anything contrary to or inconsistent with any resolution of the Board of Governors or of the Executive Council. The Executive Council shall be entitled to review any resolution of the Executive Committee of the Council and confirm, overrule or vary it. The Executive Committee of the Council shall consist of no more than (20) twenty elected members, and ex-officio members. The ex-officio members of the Executive Committee shall be: the Chair of the Board, the Deputy Chairs of the Board, the

President, the Deputy President, or in his absence a Vice President named by the President. The elected members of the Executive Committee of the Council shall be elected for a term of no more than three years and a member so elected shall be eligible for re-election provided that he may not serve more than nine consecutive years.

(b) The Executive Committee of the Council shall meet regularly and as frequently as may be required for the due performance of its functions. Unless otherwise prescribed by the Executive Council, a quorum of the Executive Committee of the Council shall consist of 5 (five) members of the Executive Committee of the Council, of whom at least 3 (three) shall be elected members of the Executive Committee of the Council. The Executive Committee of the Council shall keep a record of its meetings and report on its activities to the Executive Council and shall regulate its own proceedings, unless otherwise prescribed by the Executive Council.

(c) Any member of the Executive Committee of the Council not a resident of Israel who is unable to be present at any meeting of the Executive Committee of the Council, may in writing appoint any person to be his alternate to act in his place at any such meeting, provided that such person is a member of the Executive Council and a resident of the same country of which his appointer is a resident. Every such alternate shall be entitled to attend such meeting, participate and vote thereat and where he is a member of the Executive Committee of the Council, he shall have a separate vote on behalf of the member who appointed him in addition to his own vote.

(d) If the post of any member of the Executive Committee of the Council shall fall vacant during the term of office of such member, the Chair of the Executive Committee of the Council may, with the approval of the Chair of the Board of Governors, fill such vacancy and the person so appointed will serve until the next meeting of the Board of Governors at which members of the Executive Committee of the Council are elected.

(e) The Executive Committee of the Council shall have a Vice-Chair, who shall be elected by the Board of Governors from amongst the members of the Executive Committee of the Council. The Vice-Chair of the Executive Committee of the Council shall hold office for a term of no more than three years and shall be eligible for re-election provided that he may not serve for more than nine consecutive years; the Vice-Chair of the Executive Committee of the Council shall preside over meetings of the Executive Committee of the Council in the absence of its Chair and shall perform such other functions as may be determined from time to time by the Executive Committee of the Council.

(f) The provisions of Article 38 above shall mutatis mutandis apply to the proceedings of the Executive Committee of the Council.

40. The Appointments and Promotions Committee of the Executive Council

(a) There shall be a Standing Committee of the Executive Council to be known as the Appointments and Promotions Committee. The duties of the committee are:

(1) To examine whether the procedures for granting permanent appointments to scientists and promotions of scientists on permanent appointments to the rank of Associate Professor and Professor, have been duly made according to the academic procedures of the Institute. The Committee will report its findings to the Executive Council.

- (2) To approve such appointments and promotions. The decisions will be reported to the Executive Council.
- (3) To act as the final arbiter in matters pertaining to such appointments and promotions in cases of conflicting decisions by the President and the Council of Professors.
- (4) To report to the Executive Council on the general scientific level of the group of candidates, on the number of candidates in relation to the development of the Institute and on any general recommendation it may wish to make.
- (b) The Appointments and Promotions Committee shall have the right to inspect all the material on candidates for permanent appointments and for promotion to the ranks of Associate Professor and Professor, which is included in the candidate's file submitted to the Committee of Professors. Such material will be available to the Appointments and Promotions Committee only, but not to the Executive Council, to which only the final decisions shall be reported.
- (c) The Appointments and Promotions Committee shall consist of five members. Three members will be elected from the lay members of the Executive Council. They will be joined by the Co-Chairs of the Scientific and Academic Advisory Committee. Scientists who are members of the Institute or are retired members of the Institute are not eligible to be members of the Appointments and Promotions Committee. At least two of the lay members of the Committee shall be residents of Israel.
- (d) The Chair of the Appointments and Promotions Committee shall be elected from among the lay members of the Committee.
- (e) The members of the Appointments and Promotions Committee shall be elected for a term of no more than three years and shall be eligible for re-election provided that no member shall serve more than nine years.
- (f) The President and the Chair of the Council of Professors shall be invited to each meeting of the committee and will have the right of voice but not of vote.

STANDING COMMITTEES OF THE ASSOCIATION

41. The following provisions shall, subject to any other provisions to the contrary herein contained, apply to all the Standing Committees of the Association created by these Articles:

- (a) Every Standing Committee shall have a Chair, except the Scientific and Academic Advisory Committee which shall have two Co-Chairs.

The Chair, or a Co-Chair of every Standing Committee, except the Nominating Committee, shall be elected by the Board of Governors for a term of no more than three years. A person so elected shall be eligible for re-election provided that he may not serve for more than nine consecutive years from the date on which he was first elected as Chair. The Chair, or Co-Chair of a Standing Committee shall perform all functions specifically imposed upon him in these Articles, shall call meetings of such Standing Committee and preside at all such meetings at which he is present and shall perform such other duties and exercise all such powers as may from time to time be conferred on him by such Standing Committee.

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(b) Every Standing Committee shall have at least one Vice-Chair, except the Appointments and Promotions Committee and the Scientific and Academic Advisory Committee. The latter shall have two Co-Chairs as specified in sub-article (a) above. Such Vice-Chair shall be elected by the Board of Governors from amongst the members of such Standing Committee. A Vice-Chair of a Standing Committee shall hold office for a term of no more than three years and shall be eligible for re-election provided that he may not serve for more than nine consecutive years. A Vice-Chair of a Standing Committee shall preside over meetings of such Committee in the absence of its Chair and shall perform such other functions as may be determined from time to time by such Committee.

(c) Subject to the provisions of these Articles, each Standing Committee shall determine its own quorum and regulate its own proceedings, unless otherwise determined by resolution of the Board of Governors or by resolution of the Executive Council.

(d) The elected members of a Standing Committee shall be elected for a term of no more than three years and shall be eligible for re-election provided that an elected member (except for elected members of the Scientific and Academic Advisory Committee who may be elected for an unlimited number of terms) may not serve for more than nine consecutive years.

(e) The provisions of Sub-Article 39(d), shall apply, *mutatis mutandis*, to the Standing Committees of the Association and in the application thereof with respect to any Standing Committee any reference in the said sub-article to the Executive Committee of the Council shall be deemed substituted by reference to the said Standing Committee.

Audit Committee

42. There shall be a Standing Committee to be known as the Audit Committee. The Audit Committee shall consist of up to (10) ten, but not less than (3) three, members elected by the Board of Governors from amongst its members, provided that no person shall be eligible to serve as a member of the Audit Committee if he is not so eligible to serve in the terms of the Law. The functions of the Audit Committee shall be determined from time to time by the Board of Governors and shall include the guidance and supervision of the work of the Internal Auditor of the Association, review of his reports and recommendations to the President, the administration and the Executive Council (or to any of them). The Audit Committee shall meet whenever necessary for the due performance of its functions, but at least twice in each calendar year, unless otherwise determined by resolution of the Board of Governors. The Audit Committee shall have all the other functions and powers conferred on an Audit Committee under the Law.

Nominating Committee

43. (a) There shall be a Standing Committee, to be known as the Nominating Committee. The Nominating Committee shall consist of members elected by the Board of Governors from amongst its members and of ex-officio members. The number of elected members on the Nominating Committee shall be no more than 10 (ten). The ex-officio members of the Nominating Committee shall be the Chair of the Board of Governors, the President and the Chair of the Executive Council.

(b) The Chair of the Board of Governors shall be a member and the Chair of the Nominating Committee.

(c) The functions of the Nominating Committee shall be to prepare slates of nominees for the election of Governors, make recommendations to the Board of Governors for the appointment of Governors Emeriti and to prepare slates of nominees for the following offices:

- (1) The Chancellor;
- (2) The Chair and Deputy Chair or Deputy Chairs of the Board of Governors;
- (3) The Chairs and the Vice Chairs of the Executive Council, the Executive Committee of the Council, the Audit Committee and the Honours Committee;
- (4) The President;
- (5) The Chair of the Appointments and Promotions Committee and the Co-Chairs of the Scientific and Academic Advisory Committee;
- (6) The Vice Chair of the Nominating Committee;
- (7) The members of the Executive Council, the Executive Committee of the Council, the Appointments and Promotions Committee, the Audit Committee, the Honours Committee, the Nominating Committee, and the Scientific and Academic Advisory Committee.

Each slate shall consist of a complete list of nominees for all the offices to be filled at the election in respect of which such slate is being prepared. In preparing the said slates, the Nominating Committee shall take account of suggestions made by members of the Board of Governors and shall further undertake such enquiries and engage in such consultations as it shall deem necessary. The Nominating Committee shall send a notice containing the names of the nominees appearing on any slate which it has prepared as aforesaid to the members of the Board of Governors prior to the election in respect of which such slate has been prepared, but the Board of Governors may determine that failure to send such notice or delay in the sending thereof shall not invalidate the candidacy of the nominees appearing on such slate.

(d) If a member of the Nominating Committee shall be a candidate for inclusion in a slate of nominees being prepared by the Nominating Committee, such member shall not participate in the discussions and in the vote taken on the composition of such slate and such vote shall be by poll to be conducted in such manner as the Chair of the Nominating Committee shall direct.

(e) The Nominating Committee shall meet whenever required for the due performance of its functions.

Honours Committee

44. There shall be a Standing Committee to be known as the Honours Committee. The Honours Committee shall consist of up to 7 (seven) members elected by the Board of Governors from amongst its members and of an ex-officio member. The ex-officio member

shall be the Chair of the Board of Governors. The Honours Committee shall initiate recommendations for the conferment of the title of Ph.D. Honoris Causa upon scientists and others for meritorious service. Recommendations of the Honours Committee as aforesaid shall be submitted by it to the Scientific Council for its recommendation. The Honours Committee shall also review the recommendations of the Scientific Council for the conferment of the title of Ph.D. Honoris Causa. Recommendations, as aforesaid, made by both the Honours Committee and the Scientific Council shall be presented by the Honours Committee to the Executive Council or the Board of Governors. The Honours Committee shall meet whenever required for the due performance of its functions.

Scientific and Academic Advisory Committee

45. There shall be a Standing Committee to be known as the Scientific and Academic Advisory Committee which shall consist of elected scientists who are members of the Board of Governors and of ex-officio members. The ex-officio members shall be the Chair of the Board of Governors and the President. The Scientific and Academic Advisory Committee shall meet whenever necessary for the due performance of its functions, but at least once in every calendar year. The functions of the Scientific and Academic Advisory Committee shall be:

- (a) to obtain for the guidance of the Board of Governors and for the direct benefit of the senior and academic staff the best professional advice available in the world on important matters affecting the current work and future development of the Association in all its departments.
- (b) to provide the Board of Governors with regular comprehensive progress reports on the scientific work of the Association intelligible to the layman.

SCIENTIFIC COUNCIL AND COUNCIL OF PROFESSORS

Scientific Council

46. The Scientific Council of the Institute shall consist of the full professors and the associate professors of the Institute as well as representatives of other scientific ranks and the student body. The function of the Council shall be to deliberate, consider and recommend policies and to advise the President and the Board of Governors on matters relating to research, teaching and generally on matters relating to the body of scientists as a whole. The Scientific Council shall make recommendations to the President and to the Executive Council on promotions and appointments of scientists to all grades other than professorial ranks. The Scientific Council may initiate recommendations in connection with the conferment of honorary titles. Recommendations of the Scientific Council as aforesaid shall be submitted by it to the Honours Committee for its recommendation. The Scientific Council shall also review the recommendations of the Honours Committee for the conferment of honours.

The Council of Professors

47. The Council of Professors of the Institute comprises all the full professors of the Institute. It deals with and makes recommendations to the President, the Executive Council and the Board of Governors on promotions to professorial grades and permanent appointments in all scientific ranks.

SENIOR OFFICERS OF THE ASSOCIATION

48. (a) The Chair of the Board of Governors, the immediate Past Chair of the Board of Governors, the Chair of the Executive Council, the Chair of the Executive Committee of the Council, the Deputy Chair or Chairs of the Board of Governors, the Chancellor (if such post is filled), the President, and the holders of such other offices of the Association as the Board of Governors may determine from time to time are the senior officers of the Association. There shall be no more than 6 (six) Deputy Chairs of the Board of Governors at any one time. The senior officers of the Association shall be elected by the Board of Governors from amongst its members.

(b) The Chair of the Board of Governors shall be elected for a term of no more than three years. A person so elected shall be eligible for re-election provided that he may not serve more than nine consecutive years. The Chair shall preside at all meetings of the Association at which he is present. The Chair shall perform all functions specifically imposed upon him in these Articles and shall perform such other duties and exercise all such powers as may from time to time be conferred upon him by the Board. He shall be entitled to appoint ad hoc committees and nominate the members thereof and to nominate the members of ad hoc committees created by the Board of Governors but not elected by it. Any past Chair shall bear the title of Chair Emeritus.

(c) The Deputy Chair or Deputy Chairs of the Board of Governors shall be elected for a term of no more than three years, and a person so elected shall be eligible for re-election provided that he may not serve more than nine consecutive years. If there shall be only one Deputy Chair, the Deputy Chair shall be a resident of Israel and if there shall be more, then at least one of the Deputy Chairs shall be a resident of Israel.

A Deputy Chair shall substitute for the Chair whenever he is not present or is unable to act. In the event of more than one Deputy Chair, the Deputy Chair senior in term of service shall act in lieu of the Chair.

(d) The Chair of the Executive Council shall be elected for a term of no more than three years. A person so elected shall be eligible for re-election provided that he may not serve for more than nine consecutive years. The Chair of the Executive Council shall report to the Board of Governors about the activities of the Executive Council, shall perform all other functions specifically imposed upon him in these Articles, shall call meetings of the Executive Council and shall perform such other duties and exercise all such powers as may from time to time be conferred upon him by the Executive Council.

(e) The Chair of the Executive Committee of the Council shall be elected by the Board of Governors for a term of no more than three years. A person so elected shall be eligible for re-election provided that he may not serve for more than nine consecutive years from the date on which he was first elected as Chair. The Chair of the Executive Committee of the Council shall perform all functions specifically imposed upon him in these Articles, shall call meetings of the Executive Committee of the Council and shall perform such other duties and exercise all such powers as may from time to time be conferred upon him by the Executive Committee of the Council.

(f) The Chancellor (if it shall be resolved by the Board of Governors to fill such post) shall be elected for a term of no more than five years. A person so elected shall be eligible for re-election. The Chancellor shall perform the functions conferred upon him by the Board of Governors.

(g) The President shall be elected for a term of no more than five years and on such terms as the Board of Governors or a special committee appointed by it may from time to time determine and is eligible for re-election. He shall be the chief executive officer of the Institute and shall have such powers and duties as the Board of Governors or the Executive Council may from time to time prescribe.

49. Notwithstanding anything to the contrary herein contained or implied and subject to Article 13 (a) (10) above:

(a) No person shall be elected to or in fact serve in a post or as a member of any committee for a number of years which may exceed the maximum periods or maximum number of consecutive terms, if any, permissible or determined hereunder for his service in the body electing him for such post or committee.

(b) An Individual who ceased to be a Governor, shall automatically cease to be a member of any committee of the Association.

(c) An Individual who ceased to be a member of the Executive Council or a member of the Executive Committee of the Council (other than an ex-officio member who is an employee of the Association, for as long as he/she is an ex-officio member and an employee of the Association) shall automatically cease to be a member of any committee of the Association in which being a member of either the Executive Council or a member of the Executive Committee of the Council, as the case might be, is a qualification.

RIGHTS OF SIGNATURE

50. The Executive Council or the Executive Committee of the Council shall have power to appoint from time to time a person or persons whose signature or signatures shall be binding upon the Association, generally or for any such matter or matters as the Executive Council or the Executive Committee of the Council shall determine from time to time, when signing under the rubber stamp of the Association, or the printed name of the Association, on any document or class of documents.

ACCOUNTS

51. Subject to the provisions of the Law, the Executive Council shall cause proper books of account to be kept of all sums of money received and expended by the Association and of the matters in respect of which such receipts and expenditures takes place and of all property credits and other assets and liabilities of the Association. The books of account shall be kept at the registered office of the Association or at such other place as the Executive Council thinks fit, and shall at all times be open for inspection by members of the Executive Council and the members of the Board of Governors.

AUDITORS

52. Auditors shall be appointed and their duties regulated in accordance with the provisions of the Law.

NOTICES

53. A notice may be served upon any Governor either personally or by prepaid letter or any form of electronic communication that produces a readable copy of the transmitted message, addressed to such Governor at his registered address for service, if any. Any notice so sent shall be deemed to have been served at the time when the applicable form of communication containing the same would have been delivered in the ordinary course of communication, and in proving such service it shall be sufficient to prove that the applicable form of communication containing the notice was properly addressed and dispatched.
54. If a Governor has no registered address for service, any notice shall be sufficiently served on him by posting up in the registered office of the Association such notice addressed generally to the Governors.
55. The non-delivery of any notice of a meeting shall not invalidate the proceedings of such meetings.
56. Any consent to shorter notice or waiver of notice convening any meeting of the Association or any governing body thereof and the appointment of any proxy to any meeting of the Association or any governing body thereof may be given or executed by telegram or telefax or e-mail addressed and mailed or transmitted to the Secretary of the Association.

WINDING UP

57. The provisions of Clause 7 of the Memorandum of Association relating to the winding up or dissolution of the Association shall have effect and be observed as if the same were repeated in these Articles.

INSURANCE AND INDEMNIFICATION

58. Subject to the provisions of the Law with regard to such matters:
- (a) The Association may enter into a contract for the insurance of the liability, in whole or in part, of any of its Officers with respect to any of the following:
- (1) a breach of duty of care to the Association or to any other person;
 - (2) a breach of fiduciary duty to the Association provided that the Officer has acted in good faith and that he had reasonable grounds to assume that the act would not injure the good of the Association;
 - (3) a financial liability which shall be imposed on such Officer in favour of any other person, in respect of an act performed by him by virtue of his being an Officer;
- (b) The Association may indemnify an Officer with respect to any of the following:
- (1) Financial liability imposed on him in favor of any other person by any judgement including a judgement given as a result of a settlement of an arbitrator's award which has been confirmed by a court, in respect of an act performed by him by virtue of his being an Officer;
 - (2) Reasonable litigation costs, including lawyer's fees, expended by an Officer or which were imposed on an Officer by a court in proceedings filed against him by the Association or in its name or by any other person or in a criminal charge on which he was acquitted, in respect of an act performed by him by virtue of his being an Officer.